GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1942
ANSWERED ON:29.11.2002
UNUTILISED EXTERNAL ASSISTANCE
RAMJI MANJHI

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether external assistance has risen to more than sixty thousand crore as on March 31, 2002 and the same is lying unutilised;

(b) if so, the reasons therefor;

(c) whether any accountability and responsibility has been fixed in this regard;

(d) whether the country has to pay commitment charges on the unutilised external assistance;

(e) if so, the details thereof and how much commitment charges have been paid during each of the last three years; and

(f) the measures taken to use the external assistance properly ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)
(a),(b) & (c) The total external assistance received upto 31.3.2002 was Rs. 200183.38 crore, out of which Rs. 77331.71 crore remains to be utilized. It may be mentioned that external assistance is largely project tied and therefore, utilisation of the sanctioned aid for any project is spread over the project implementation period. As a result, there would always be some unutilised amount at any point of time, reflecting the assistance in pipeline, which will be used as project implementation progresses.
(d) Yes, Sir.
(e) During 1999-00, 2000-01 and 2001-02, amounts of Rs. 41.78 crore, Rs. 40.23 crore and Rs. 48.46 crore respectively were paid as commitment charges.
(f) Some of the steps taken by the Government to improve aid utilization are ensuring adequate provisioning for externally aided projects in the budgets of State and Central Govt., streamlining of procurement procedures, disintermediation of flow of external aid to Central Public Sector Undertakings, reviews with Executing Agencies, setting up of a Project Management Unit in the Department of Economic Affairs, strengthening of Project Monitoring Units in some States and Central Ministries, appointment of Nodal Officers for the States and regular review of projects with respect to quality at entry, etc..